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July 27, 2007

**VIA E-FILING AND HAND DELIVERY**

Mr. Charles L.A. Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
101 Executive Center Dr., Suite 100  
Columbia, SC 29210

RE: Proceeding to Establish Guidelines for an Intrastate Universal Service Fund  
**Docket No. 1997-239-C**

Dear Mr. Terreni:

On June 27, 2007, the Commission issued Order No. 2007-422 providing parties thirty (30) days to file briefs concerning the proposed approach to updating Universal Service Fund cost studies and to submit any further comments relating to the four administrative issues raised by ORS.

ORS looks forward to reviewing the company briefs regarding the filing of updated cost studies as well as any comments offered by the other parties.

Additionally, ORS respectfully submits that addressing the four administrative issues outlined in the Commission's Order will streamline administration of the Fund. Specifically, changing the fund year to match the state fiscal year will alleviate the need to conduct a mock closing with the Treasurer and Comptroller General Office and thereby reduce the burden on ORS and other state resources. Allowing the Fund to be adjusted semi-annually reduces the lag time for lifeline payments which is also an issue raised by AT&T. Furthermore, establishing a time limitation for identifying overpayment errors and charging a fee for late filers reduces the Fund's exposure and reduces the amount carriers have to contribute to the Fund. It also encourages companies to file information in a timely manner thereby ensuring that all carriers pay their equitable share into the fund.

Very truly yours,

*Nanette S. Edwards*  
Nanette S. Edwards

cc: Katie Morgan, Director – Telecommunications, Transportation, Water, Wastewater  
Parties of Record